GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4043
ANSWERED ON:14.12.2001
LOAN TO MINORITIES
VSM (RETD.) COL. CHOUDHARY

Will the Minister of FINANCE be pleased to state:

(a) the details of schemes and benefits extended to minorities by various banks;

(b) whether Reserve Bank of India is regularly monitoring the returns with regard toloans and advances provided to specified minorities;

(c) whether the banks are not meeting the targets in channelising the flow of credit to minorities;

(d) if so, details thereof alongwith the reasons therefore;

(e) the action taken by the RBI against the defaulting banks?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): No separate schemes and benefits are extended to minorities by the Banks. However, The persons belonging to minorities are eligible for all the credit facilities extended by the Banks including assistance under various Government sponsored poverty alleviation programmes like Prime Minister Rojgar Yojana (PMRY), Swarnajayanti Gram Swarojgar Yojana (SGSY) and Swarna Jayanti Shahar Rojgar Yojana (SJSRY).

(b): Yes, Sir. Reserve Bank of India is regularly monitoring the half returns sent by all Public Sector Banks regarding the loans and advances provided to minorities.

(c) to (e): No separate target is allocated to PSBs for advances to minorities. The RBI regularly monitors the credit flow and further to ensure adequate flow of bank credit to minority communities the following steps have been taken:-

? 41 districts having concentration of minority population have been identified.

? The progress is reviewed regularly at the meetings of the District Consultative Committee & the State Level Bankers` Committee.

? The Lead Bank in each of these 41 districts should have an officer who shall exclusively look after the problems regarding the credit flow to minorities communities, to publicise among the minority communities various programmes of bank credit and also to prepare suitable schemes for benefit of minorities in consultation with Branch Manager.

? The Lead Banks in 41 identified districts have been advised to organize Entrepreneur Development Programmes so that the members of these communities to derive benefit of various programmes being financed by banks.

? With a view to bring about an attitudinal change in the bank`s staff towards minority communities and to have proper perspective and appreciation of the 15 point programme particularly the credit facilities to minorities, banks have been advised to include suitable lecture sessions as part of relevant training programmes like instruction course, programmes on rural lending, financing of priority sectors etc to sensitise the branch manager in this regard.